

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Civil Supplies – Purchase of NLR 34449 variety of paddy in Mahabubnagar District under relaxed specifications by the APSCSC Ltd., during KMS 2009-10 – Delivery of Custom Milled Rice to the FCI – Reg.

CONSUMER AFFAIRS, FOOD AND CIVIL SUPPLIES (CS.I) DEPARTMENT

G.O.Ms.No. 41

Date: 15.09.2010

Read the following:

1. G.O.Ms.No.24, CA, F & CS (CS-I) Dept. dt.20.06.10.
2. Collector, Mahabubnagar, Lr.No.Proc.13(4)/2009-10 Rabi, dated 07.08.2010
3. Lr.No.Proc.9(1)/2009-10-CM-State, dated 04.08.2010 of the G.M., FCI, Hyderabad
4. GOI Lr. No.8-3/2010/S & I dt. 25.8.2010 of the Department of Food & Public Distribution, GOI, New Delhi.
5. VC&MD, APSCSCL, Hyd., Lr.No.Mktg/M2/4736/Rabi 2009-10 Dated 09.09.2010

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ORDER:

Government in the G.O. 1st read above, has issued orders permitting the AP State Civil Supplies Corporation and the IKP groups to purchase NLR 34449 variety of paddy which was not conforming to the specifications prescribed by the Government of India from the farmers with value cuts and then after their custom milling, the resultant rice should be delivered to the FCI. It was also ordered that the loss sustained on account of purchase of non-FAQ paddy of NLR 34449 variety of paddy would be reimbursed to the APSCSCL. Based on these orders, a quantity of 25,353 MTs of NLR 34449 variety of paddy was purchased by the APSCSCL and IKP Groups from the farmers in Mahabubnagar district at Rs.940/- per quintal with value cuts as this paddy was not conforming to the specifications.

2) In the reference 2nd read above, the Collector, Mahabubnagar informed that there was no milling capacity available for doing the custom milling of NLR 34449 variety paddy purchased in Mahabubnagar and therefore paddy had to be moved to Warangal for milling and delivering the Custom Milled Rice to the FCI at Warangal.

3) In the reference third read above, the FCI informed that as the paddy was not purchased at MSP, it would not be possible for them to accept Custom Milled Rice out of this paddy and informed that orders of the GOI are required for accepting the Custom Milled Rice out of non-FAQ paddy purchased with value cuts by the APSCSCL and that the State Govt. might take up with the Government of India. This issue was accordingly taken up with the Government of India.

4) The Government of India vide their letter 4th read above, has issued orders for acceptance of rice by FCI, milled out of 23,832 tonnes of NLR 34449 variety paddy purchased by APSCSCL, subject to the following conditions.

- i) State Government should make the remaining payment to farmers to give them full MSP through cheque and it should be certified by the State Government.
- ii) On getting such certificate from the State Government, FCI will accept the rice of FAQ specifications out of the 23,832 tonnes of NLR 34449 variety paddy purchased by State Civil Supplies Corporation.

- iii) Extra expenditure, if any, incurred in delivery of FAQ rice to FCI will be borne by the State Government.

5) In view of the orders of the Govt., the VC&MD., APSCSCL., in the reference 5th read above, has informed that; the quantity of NLR 34449 variety paddy purchased at Rs.940/- per qtl is 25,353 MTs.; the additional amount payable to the farmers from whom NLR 34449 variety paddy which was not conforming to FAQ @ Rs.60/- per qtl as per the decision of the Government of India will be Rs.1.52 Crores; in turn, the FCI will pay the full amount of Procurement price for Custom Milled Rice and to permit retention of paddy of 6% to the miller towards additional milling charges, segregation of damaged grain and up-gradation to bring it to FAQ standards; or to pass on Rs.60/- per quintal towards additional milling charges to the millers of Warangal district.

6) In order to pay Rs.60/- per quintal as additional expense, the FCI can be delivered 16,403 MTs of FAQ Rice (at 64.7% out turn ratio on 25,353 MTs of paddy instead of 68%) after segregating the damaged grains in excess of the FAQ limit from the total 25,353 MTs of paddy. In other words the difference in out turn ratio would be available to the miller towards additional milling charges, segregation of damaged grain and up-gradation to bring it to FAQ standards. The additional expenditure that would be incurred at Rs.60/- per quintal on purchase of non-FAQ paddy on state account would therefore be Rs.1.52 crores.

7) After careful consideration of the matter, duly keeping in view the Government of India's instructions, it is ordered that the APSCSCL shall pay to the farmers @Rs.60/- per quintal, as a special case, from whom non-FAQ paddy was purchased at Rs.940/- per quintal so as to comply with the orders of the Government of India and to deliver Custom Milled Rice of FAQ standards and take full value on 16,403 MTs of FAQ rice being achieved by them.

8) The additional expenditure for the procurement operation on state account amounts to Rs.1.52 crores shall be reimbursed to the APSCSCL as already ordered in the G.O cited as first reference.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

SANJAY JAJU
EX-OFFICIO SECRETARY TO GOVERNMENT

To
The Commissioner of Civil Supplies, A.P. Hyderabad.
The VC & Managing Director, APSCSC Limited, Hyderabad
The Chief Executive Officer, Society for Elimination of Rural Poverty
(SERP), Hyderabad

Copy to:

The General Manager, Food Corporation of India, Hyderabad.
All the Collectors / all the Joint Collectors
The Secretary, Department of Food and Public Distribution, Ministry of
Consumer Affairs, F& PD, Krishi Bhavan, New Delhi.
The Principal Secretary to Chief Minister.
The P.S. to Hon'ble Minister(FCS, LM & CA).
All District Supply Officers
SF/ SC.

//FORWARDED BY ORDER//

SECTION OFFICER